

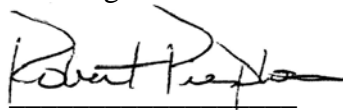


Construction Policy Bulletin

CPB 06-3 Contract Change Order Memorandum (Form CEM-4903)

References: *Construction Manual* Section 5-301, "General"
Section 5-307, "Contract Change Order Memorandum"

Effective Date: August 11, 2006

Approved: 

ROBERT PIEPLOW
Chief
Division of Construction

Approval Date: August 10, 2006

Background

A contract change order memorandum and any necessary attachments are prepared to justify, explain and complement the contract change order. The contract change order memorandum minimally states why the change is needed, justifies entitlement under the contract, reports functional concurrence, evaluates financial constraints, justifies time and schedule impacts, and documents other important change order details. The contract change order memorandum is formatted in accordance with Form CEM-4903, "Contract Change Order Memorandum." The memorandum is for interdepartmental use and is not sent to the contractor.

It is important to track contract time and notify the contractor of any contract time extensions, so that the contractor can better schedule the work. Tracking and analysis of cumulative time impacts are critical to avoid and mitigate owner caused delay, work disruption, management dilution, and work acceleration claims due to unresolved time and deferred time contract change orders.

Existing Procedure

The *Construction Manual*, Section 5-301, "General," and Section 5-307, "Contract Change Order Memorandum," require the inclusion of a completed Form CEM-4903, "Contract Change Order Memorandum," along with any necessary attachments, for each contract change order.

New Procedure

This new policy supplements the existing procedure by adding more fields for data entry to the Form CEM-4903, "Contract Change Order Memorandum." The new fields allow the reader, at a glance, to determine the contract status regarding time of completion.

The Form CEM-4903, "Contract Change Order Memorandum," has been updated to include the following new fields:

- Original contract time
- Time adjustment for this change
- Previously approved contract change order time adjustments
- Percentage of time adjusted (including this change)
- Total number of unreconciled deferred time contract change orders on this contract (including this change)

A copy of the updated Form CEM-4903, "Contract Change Order Memorandum," is attached to this construction policy bulletin.

If you have any questions or comments regarding this construction policy bulletin contact Bob Molera, Division of Construction Contract Change Order Engineer at (916) 654-2735.

Attachment

CONTRACT CHANGE ORDER MEMORANDUM

CEM-4903 (REV 04/2006)

DATE _____

TO			FILE E. A. _____	
FROM			CO-RTE-PM _____	
CCO NO.			FED NO. _____	
SUPPLEMENT NO.			CONTINGENCY BALANCE (Including this change): \$ _____	
CATEGORY CODE			HEADQUARTERS APPROVAL REQUIRED? <input type="checkbox"/> YES <input type="checkbox"/> NO	
\$ _____ <input type="checkbox"/> INCREASE <input type="checkbox"/> DECREASE			IS THIS REQUEST IN ACCORDANCE WITH ENVIRONMENTAL DOCUMENTS? <input type="checkbox"/> YES <input type="checkbox"/> NO	
SUPPLEMENTAL FUNDS PROVIDED \$ _____				
ORIGINAL CONTRACT TIME: DAY(S)	TIME ADJUSTMENT THIS CHANGE: DAY(S)	PREVIOUSLY APPROVED CCO TIME ADJUSTMENTS: DAY(S)	PERCENTAGE TIME ADJUSTED (Including this change) %	TOTAL # OF UNRECONCILED DEFERRED TIME CCO's (Including this change) _____

THIS CHANGE ORDER PROVIDES FOR (Use additional pages as needed):

CONCURRED BY:		ESTIMATE OF COST	
CONSTRUCTION ENGINEER/BRIDGE ENGINEER	DATE	THIS REQUEST	TOTAL TO DATE
		ITEMS	
PROJECT ENGINEER	DATE	FORCE ACCOUNT	
		AGREED PRICE	
PROJECT MANAGER	DATE	ADJUSTMENT	
		TOTAL	
FHWA REP.	DATE	FEDERAL PARTICIPATION	
		<input type="checkbox"/> PARTICIPATING <input type="checkbox"/> PARTICIPATING IN PART <input type="checkbox"/> NONE	
ENVIRONMENTAL	DATE	<input type="checkbox"/> NON-PARTICIPATING (Maintenance) <input type="checkbox"/> NON-PARTICIPATING	
OTHER (SPECIFY)	DATE	FEDERAL SEGREGATION (If more than one funding source or P.I.P. type)	
	DATE	<input type="checkbox"/> CCO FUNDED PER CONTRACT <input type="checkbox"/> CCO FUNDED AS FOLLOWS	
		FEDERAL FUNDING SOURCE	PERCENT
HQ OR DISTRICT PRIOR APPROVAL BY	DATE	_____	_____
		_____	_____
RESIDENT ENGINEER SIGNATURE	DATE	_____	_____

CONTRACT CHANGE ORDER MEMORANDUM

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THIS CHANGE ORDER PROVIDES FOR (Use additional pages as needed):

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THIS CHANGE ORDER PROVIDES FOR